

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

April 9, 2007

John Rhine. Interpace Industries, Inc. P.O. Box 12118 Ogden, Utah 84112

Subject: Reclamation Surety Required, Interpace Industries, Inc., Vernon Shale,

S0450070, Task ID# 1752, Tooele County, Utah

Dear Mr. Rhine:

The Division finds your Notice of Intention to Conduct Small Mining for the Vernon Shale complete, however prior to conducting exploration activities the Division must approve the reclamation surety. The reclamation surety is determined to be \$20,700 (three year escalation) or \$22,300 (five year escalation) for the 5 acre project.

The Division has not been notified by State History that cultural resources exist or that a survey is recommended for this area. However, should you locate cultural resources, we ask that you notify the Division and the State Historic Preservation Officer immediately.

Please submit the reclamation surety and Reclamation Contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, or a surety bond. Please contact Beth Ericksen at (801) 538-5318 or e-mail bethericksen@utah.gov for assistance in completing this requirement.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S450070.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

Haddock

SMW:tm:pb

cc: Fillmore BLM, Jerry Mansfield

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450070-VernonShale\final\condit-accept.doc